

LUTHER PARK, INC.
DANBURY, WISCONSIN

FINANCIAL STATEMENTS AS OF DECEMBER 31, 2021 AND 2020

(Compiled)

Anderson·Hager·Moe

CERTIFIED PUBLIC ACCOUNTANTS

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To the Board of Directors of
Luther Park, Inc.
Danbury, Wisconsin

Management is responsible for the accompanying financial statements of Luther Park, Inc. (a non-profit organization), which comprise the statements of financial position as of December 31, 2021 and December 31, 2020, and the related statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the financial statements in accordance with accounting principles generally accepted in the United States of America. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. We do not express an opinion, a conclusion, nor provide any assurance on these financial statements.

Supplementary Information

The supplementary information contained in Supplemental Schedules 1 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management. The supplementary information was subject to our compilation engagement. We have not audited or reviewed the supplementary information and do not express an opinion, a conclusion, nor provide any assurance on such information.

Anderson, Hager & Moe SC

March 7, 2022

Spooner, Wisconsin

LUTHER PARK, INC.
DANBURY, WISCONSIN

STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2021 AND 2020

	2021	2020
ASSETS:		
Cash and cash equivalents	\$ 191,611	\$ 94,800
Inventory	15,431	12,248
Marketable securities	189	130
Prepaid expense	9,728	8,985
Payroll tax credit receivable	-	2,213
Cash surrender value life ins, net of policy loan	81,847	10,079
Property, equipment and improvements, net	1,497,004	1,562,482
Total assets	\$ 1,795,810	\$ 1,690,937
LIABILITIES:		
Accounts payable	\$ 3,326	\$ 1,702
Credit card payable	2,340	593
Payroll liabilities payable	409	78
Unearned deposits	11,994	9,218
Sales tax payable	272	234
Accrued real estate taxes	6,317	6,253
Accrued paid leave time	1,103	15,089
Accrued interest	524	550
Notes payable	174,267	207,980
Total liabilities	\$ 200,552	\$ 241,697
NET ASSETS:		
Without donor restrictions		
Designated by the board	\$ 15,840	\$ 15,840
Undesignated	1,566,194	1,416,010
With donor restrictions	13,224	17,390
Total net assets	\$ 1,595,258	\$ 1,449,240
Total liabilities and net assets	\$ 1,795,810	\$ 1,690,937

See accompanying notes and independent accountant's compilation report.

LUTHER PARK, INC.
DANBURY, WISCONSIN

STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020

	<u>2021</u>	<u>2020</u>
CHANGES IN NET ASSETS WITHOUT DONOR RESTRICTIONS		
Revenue and Other Support-		
Annual fund	\$ 355,478	\$ 296,069
Program revenue	67,959	44,919
Other income	43,790	6,110
Gain upon debt extinguishment	54,656	38,200
Net assets released from restriction	<u>36,416</u>	<u>25,099</u>
 Total revenues and gains without donor restrictions	 <u>\$ 558,299</u>	 <u>\$ 410,397</u>
 Expenses:		
Camp programs	\$ 110,017	\$ 147,773
Camp operations	177,249	180,032
Management and general	<u>120,849</u>	<u>96,484</u>
 Total expenses	 <u>\$ 408,115</u>	 <u>\$ 424,289</u>
 Increase (decrease) in net assets without donor restrictions	 <u>\$ 150,184</u>	 <u>\$ (13,892)</u>
 CHANGE IN NET ASSETS WITH DONOR RESTRICTIONS		
Contributions	\$ 32,250	\$ 37,200
Net assets released from restrictions	<u>(36,416)</u>	<u>(25,099)</u>
 (Decrease) increase in net assets with donor restrictions	 <u>\$ (4,166)</u>	 <u>\$ 12,101</u>
 Increase (decrease) in net assets	 <u>\$ 146,018</u>	 <u>\$ (1,791)</u>
 Net Assets at Beginning of Year	 <u>\$ 1,449,240</u>	 <u>\$ 1,451,031</u>
 Net Assets at End of Year	 <u><u>\$ 1,595,258</u></u>	 <u><u>\$ 1,449,240</u></u>

See accompanying notes and independent accountant's compilation report.

LUTHER PARK, INC.
DANBURY, WISCONSIN

STATEMENTS OF FUNCTIONAL EXPENSES
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020

	2021				2020			
	Program Services		Supporting Services	Total	Program Services		Supporting Services	Total
	Camp programs	Camp operations	Management and general		Camp programs	Camp operations	Management and general	
Other operating expenses								
Food and dairy	\$ 7,269	\$ -	\$ -	\$ 7,269	\$ 10,110	\$ -	\$ -	\$ 10,110
Recreational equipment	-	-	-	-	16	-	-	16
Health care supplies	1,087	-	-	1,087	133	-	-	133
Materials and resources	2,087	-	-	2,087	4,581	-	-	4,581
Sales tax	282	-	-	282	234	-	-	234
Day camp-program expense	184	-	-	184	-	-	-	-
Summer staff recruitment	674	-	-	674	186	-	-	186
Summer staff training	220	-	-	220	366	-	-	366
Canteen expenses	1,422	-	-	1,422	1,704	-	-	1,704
Electricity	-	12,105	-	12,105	-	9,608	-	9,608
Fuel	-	11,044	-	11,044	-	14,553	-	14,553
Building and grounds maintenance	-	13,563	-	13,563	-	16,462	-	16,462
Cleaning supplies	-	878	-	878	-	359	-	359
Dumping fees	-	1,226	-	1,226	-	726	-	726
Real estate taxes	-	6,317	-	6,317	-	6,253	-	6,253
Depreciation	-	95,423	-	95,423	-	95,820	-	95,820
Telephone	-	1,628	-	1,628	-	2,016	-	2,016
Kitchen supplies	-	1,140	-	1,140	-	2,965	-	2,965
Credit card fees	810	-	-	810	1,254	-	-	1,254
Commercial insurance	-	14,642	-	14,642	-	13,198	-	13,198
Office supplies	-	10,261	-	10,261	-	9,495	-	9,495
Dues	-	2,207	-	2,207	-	1,637	-	1,637
Professional fees	-	1,648	7,523	9,171	-	2,054	8,210	10,264
Auto expenses	9,857	-	-	9,857	5,597	-	-	5,597
Continuing education	-	-	234	234	-	-	-	-
Conferences	-	-	1,150	1,150	-	-	-	-
Interest	-	-	10,032	10,032	-	-	10,208	10,208
Unrealized loss on investments	-	-	-	-	-	-	53	53
Loss on disposal of fixed assets	-	-	-	-	-	4,886	-	4,886
Promotional expenses and materials	10,297	-	-	10,297	5,710	-	-	5,710
Postage	2,923	-	-	2,923	2,664	-	-	2,664
Development	2,545	-	-	2,545	3,381	-	-	3,381
Total other operating expenses	\$ 39,657	\$ 172,082	\$ 18,939	\$ 230,678	\$ 35,936	\$ 180,032	\$ 18,471	\$ 234,439

See accompanying notes and independent accountant's compilation report.

LUTHER PARK, INC.
DANBURY, WISCONSIN

STATEMENTS OF FUNCTIONAL EXPENSES
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020

	2021				2020			
	Program Services		Supporting Services	Total	Program Services		Supporting Services	Total
	Camp programs	Camp operations	Management and general		Camp programs	Camp operations	Management and general	
Salaries and related expenses								
Staff salaries	\$ 44,292	\$ 4,800	\$ 75,549	\$ 124,641	\$ 78,034	\$ -	\$ 57,651	\$ 135,685
International camp staff	3,355	-	-	3,355	825	-	-	825
Payroll taxes	4,185	367	5,764	10,316	5,829	-	4,410	10,239
Worker's compensation insurance	6,994	-	-	6,994	7,048	-	-	7,048
Health insurance	9,330	-	16,064	25,394	16,920	-	12,745	29,665
Pension benefits	2,204	-	4,533	6,737	2,808	-	3,207	6,015
Staff support	-	-	-	-	373	-	-	373
Total salaries and related expenses	\$ 70,360	\$ 5,167	\$ 101,910	\$ 177,437	\$ 111,837	\$ -	\$ 78,013	\$ 189,850
Total expenses	\$ 110,017	\$ 177,249	\$ 120,849	\$ 408,115	\$ 147,773	\$ 180,032	\$ 96,484	\$ 424,289

See accompanying notes and independent accountant's compilation report.

LUTHER PARK, INC.
DANBURY, WISCONSIN

STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020

	<u>2021</u>	<u>2020</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Increase in net assets	\$ 146,018	\$ (1,791)
Adjustments to reconcile change in net assets to net cash used in operating activities-		
Depreciation expense and amortization	95,423	95,820
Gain upon debt extinguishment	(54,656)	(38,200)
(Increase) cash value life insurance policy	(71,768)	(1,507)
Disposal of fixed assets	(1,500)	7,198
Unrealized (gain) loss on investments	(51)	53
(Increase)/decrease in operating assets:		
Inventory	(3,183)	2,898
Prepaid expenses and other assets	1,470	1,580
Increase (decrease) in operating liabilities-		
Accounts payable and credit card payable	6,147	(1,196)
Accrued liabilities	(13,578)	990
Net cash provided by operating activities	<u>\$ 104,322</u>	<u>\$ 65,845</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of equipment and improvements	\$ (29,946)	\$ (13,144)
Proceeds from sale of fixed assets	1,500	-
Purchase of investments	(8)	(8)
Net cash (used in) investing activities	<u>\$ (28,454)</u>	<u>\$ (13,152)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds of notes payable	\$ 54,656	\$ 38,200
Payments on notes payable	(33,713)	(5,348)
Net cash provided by (used in) financing activities	<u>\$ 20,943</u>	<u>\$ 32,852</u>
Net increase (decrease) in cash	\$ 96,811	\$ 85,545
Cash and cash equivalents, beginning of year	94,800	9,255
Cash and cash equivalents, end of year	<u>\$ 191,611</u>	<u>\$ 94,800</u>
Reconciliation of cash, cash equivalents, and restricted cash		
Cash and cash equivalents	\$ 178,387	\$ 77,410
Restricted cash - donor restricted	13,224	17,390
Net (decrease) increase in cash	<u>\$ 191,611</u>	<u>\$ 94,800</u>
SUPPLEMENTAL DISCLOSURE:		
Interest paid	<u>\$ 10,058</u>	<u>\$ 10,227</u>

See accompanying notes and independent accountant's compilation report.

LUTHER PARK, INC.
DANBURY, WISCONSIN

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2021 AND 2020

NOTE 1 - NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities:

Luther Park Inc., (the Church Camp) is a nonprofit corporation, established under the laws of the State of Minnesota, operates as a religious organization. The Church Camp is a cooperative ministry of ELCA congregations serving people of all ages through a variety of programs in an outdoor setting in Danbury, Wisconsin. Its mission is to provide an environment in which the Christian faith may be strengthened and people may grow in their personal relationship with God.

Basis of Accounting:

The Church Camp utilizes the accrual method of accounting whereby revenues are recognized when earned and expenses are recognized when incurred.

Basis of Presentation:

The Church Camp is required to report information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions.

Contributed Services:

No amounts have been reflected in the financial statements for donated services. The Church Camp generally pays for services requiring specific expertise. However, many individuals volunteer their time and perform a variety of tasks that assist the Church Camp at their facilities, but these services do not meet the criteria for recognition as contributed services.

Use of Estimates in Preparation of Financial Statements:

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Cash and Cash Equivalents:

For purposes of the Statement of Cash Flows, the Church Camp considers all highly liquid investments, with a maturity date of three months or less when purchased, to be cash equivalents.

Concentrations of Credit Risk:

The Church Camp maintains cash balances at institutions located in Northern Wisconsin. Those cash balances are insured by the Federal Deposit Insurance Corporation up to \$250,000. At December 31, 2021 and 2020, the Company's uninsured cash balances total \$-0- and \$-0-, respectively.

The Church Camp also has cash balances with an institution located in Illinois, which is not insured by the FDIC. At December 31, 2021 and 2020, the balance in this fund was \$215 and \$214, respectively.

Marketable Securities:

Management determines the appropriate classification of securities at the time of purchase. Securities to be held for indefinite periods of time are classified as available for sale and carried at fair value. Realized gains and losses, determined using the last-in, first-out method, are included in net assets without donor restrictions; unrealized holdings gains and losses are reported in net assets without donor restrictions.

Financial Instruments:

The Church Camp's financial instruments consist primarily of cash, receivables, accounts payable and notes payable. The carrying value of these financial instruments is considered to be representative of their respective fair values as of December 31, 2021 and 2020.

Revenue Recognition:

Program fees: Program fees are recognized in the year in which the camp programs are delivered. In addition, the Church Camp maintains a store on site where campers may purchase items during their stay.

Contribution revenue: Contribution revenue is recognized when received and is accounted for following generally accepted accounting principles whereby contributions received are recorded as either with or without donor restrictions.

Grants: Grant revenue is recognized when earned.

Fundraising and events: The Church Camp records event income as events and fundraisers are held.

Fair Value Measurements:

A three-tier hierarchy has been established as a framework for measuring fair value which requires an entity to give highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements) when measuring fair value. The standard also requires additional disclosure about the use of fair value measurements.

Fair value is defined as the price to sell an asset or transfer a liability between market participants as the measurement date. The three levels of the fair value hierarchy are as follows:

Level 1 – Inputs are unadjusted quoted prices for identical instruments in active markets.

Level 2 – Inputs are inputs other than quoted prices included within Level 1 that are directly or indirectly observable, such as quoted prices for similar instruments in active markets, or quoted prices for identical or similar instruments in active markets.

Level 3 – Inputs are observable inputs in which little or no market data exists, therefore, requiring an entity to develop its own assumptions, such as valuations derived from techniques in which one or more significant value drivers are observable.

Financial assets and liabilities are classified in their entirety based on the lowest level of input that is significant to the fair value measurement. The assessment of the significance of a particular input to the fair value measurement requires judgment and may affect the valuation of assets and liabilities and their placement with the fair value hierarchy levels.

Contributions:

Contributions received are recorded as net assets with donor restrictions or net assets without donor restrictions depending on the existence or nature of any donor restrictions.

Inventory:

Inventories consist of items available for resale in the canteen and food, valued at the lower of cost or market.

Donated Assets:

Donated assets and noncash items are recorded as in-kind contributions at their estimated fair value at the date of donation. The Church Camp recognized \$0 and \$0 in-kind contributions for the years ended December 31, 2021 and 2020.

Property, Equipment and Improvements:

The Church Camp capitalizes property and equipment over \$500. Lesser amounts are expensed. Purchased property and equipment is capitalized at cost. Donations of property and equipment are recorded as contributions at their estimated fair value. Such donations are reported as unrestricted contributions unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as restricted contributions. Absent donor stipulations regarding how long those donated assets must be maintained, the Church Camp reports expirations of donor restrictions when the donated or acquired assets are placed in service. The Church Camp reclassifies satisfactions of donor restrictions to net assets without donor restriction at that time. Property and equipment are depreciated using the straight-line method over estimated useful lives ranging from five to thirty-nine years. Depreciation expense for the year ended December 31, 2021 and 2020 was \$95,438 and \$95,820, respectively

For assets acquired after December 31, 1994, property, equipment and improvements are capitalized at cost or, if donated, at the approximate fair value at the date of donation. Due to incomplete asset acquisition documents and incomplete records of donated property, the historical cost of assets held prior to December 31, 1994 was not able to be determined. These assets are carried at their fair market value as of December 31, 1994.

Cost Allocation:

The costs of the Church Camp's programs and supporting services have been reported on a functional basis in the Statement of Functional Expenses. Expenses are charged to programs based on direct expenses incurred. Any program expenses not directly identifiable by program or support service, are allocated based on the best estimates of management.

Income Taxes:

The Church Camp is a not-for-profit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. The Church Camp has processes in place to ensure the maintenance of its tax-exempt status; to identify and report unrelated income; and to identify and evaluate other matters that may be considered tax positions. The Church Camp has determined that there are no material uncertain tax positions that require recognition or disclosure in the financial statements.

Advertising Costs:

The Church Camp conducts non-direct response advertising. These costs are expensed as incurred. Advertising costs, which includes promotional expenses and materials, for the years ended December 31, 2021 and 2020 are \$10,297 and \$5,710, respectively.

Compensated Absences:

Employees of the Church Camp are entitled to paid vacation, sick days and other time off depending on job classification and length of service. Total compensated absences earned but not paid as of December 31, 2021 and 2020 were \$1,103 and \$15,089, respectively.

Fundraising Activities:

Each year the Church Camp does different fundraising events. The costs associated with these events are expensed as paid. Fund raising costs for the years ended December 31, 2021 and 2020 are \$1,159 and \$2,565, respectively.

Presentation of Sales Tax:

The State of Wisconsin imposes a sales tax of 5.5% on all of the Church Camp's sales to nonexempt customers. The Church Camp collects that sales tax from customers and remits the entire amount to the State. The Church Camp's accounting policy is to include the tax collected and remitted to the State in revenues and cost of sales.

Reclassifications:

Certain accounts in the prior year financial statements may have been reclassified for comparative purposes to conform with the presentation in the current year financial statements.

FASB Accounting Standards Update:

ASU No. 2018-08 Clarifying the scope and the accounting guidance for contributions received and contributions made, effective for annual periods beginning after December 15, 2018, has been implemented in 2020. This ASU provides additional guidance in evaluating whether transactions should be accounted for as contributions or exchanges. See Note 11-Contributions Received.

NOTE 2 – LIQUIDITY AND AVILABILITY OF FINANCIAL ASSETS

For purposes of analyzing resources available to meet general expenses over a 12-month period, the Church Camp considers all expenses related to its ongoing program and support activities to be general expenses. Assets not available to meet current operating needs are not included in our analysis below.

The following reflects the Church Camp's financial assets as of the balance sheet date, reduced by amounts not available for general use because of donor-imposed restrictions.

	<u>2021</u>	<u>2020</u>
Cash and cash equivalents	\$ 191,611	\$ 94,800
Marketable securities	189	130
Payroll tax credit receivable	<u>-0-</u>	<u>2,213</u>
	191,800	97,143
Less those unavailable for general expenditures within one year, due to donor restrictions	<u>13,224</u>	<u>17,390</u>
Financial assets available to meet cash needs for general expenditure within year	<u>\$ 178,576</u>	<u>\$ 79,753</u>

As part of the Church Camp's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities and other obligations come due.

NOTE 3 - PROPERTY, EQUIPMENT AND IMPROVEMENTS

Property, equipment and improvements consist of the following as of December 31:

	<u>2021</u>	<u>2020</u>
Land	\$ 36,100	\$ 36,100
Land improvements	8,198	2,941
Buildings	2,774,618	2,756,997
Furniture and fixtures	232,132	234,263
Vehicles and trailers	16,999	20,799
Lawn equipment	2,800	2,800
Boats and canoes	<u>18,500</u>	<u>18,500</u>
	\$ 3,089,347	\$ 3,072,400
Less-accumulated depreciation	<u>(1,592,343)</u>	<u>(1,509,918)</u>
	<u>\$ 1,497,004</u>	<u>\$ 1,562,482</u>

NOTE 4 - NOTES PAYABLE

Notes payable consisted of the following at December 31:

	<u>2021</u>	<u>2020</u>
Note payable to Bank, With an interest rate of 5.41%, Matures in 2024, secured by real estate Net of loan costs of \$874	\$ 174,267	\$ 182,980
Note payable to Individual, With an interest rate of 0%, Matures in 2024, unsecured	<u>-0-</u>	<u>25,000</u>
	<u>\$ 174,267</u>	<u>\$ 207,980</u>

Maturities of long-term debt as of December 31, 2021 are as follows:

2022	\$ 9,334
2023	9,852
2024	<u>155,081</u>
	<u>\$ 174,267</u>

Interest expense for the years ended December 31, 2021 and 2020 was \$10,032 and \$10,208, respectively.

NOTE 5 - NET ASSETS RELEASED FROM RESTRICTIONS

Net assets are released from donor restrictions by incurring expenses satisfying the restricted purposes or by the occurrence of other specified by donors during 2021 and 2020.

	<u>2021</u>	<u>2020</u>
Purpose restrictions accomplished:		
Capital improvements	\$ 29,946	\$ 13,144
Operations	<u>6,470</u>	<u>11,955</u>
	<u>\$ 36,416</u>	<u>\$ 25,099</u>

NOTE 6 – RETIREMENT PLAN

The full-time employees of the Church Camp participate in the ELCA Board of Pensions retirement plan. The Church Camp's contributions are equal to 6% of the annual salary of participating employees. During the years ended December 31, 2021 and 2020, the Church Camp's contributions to the plan totaled \$6,737 and \$6,015, respectively.

NOTE 7 – DONOR RESTRICTIONS ON NET ASSETS

Donor restricted net assets are available for the following purposes:

	<u>2021</u>	<u>2020</u>
Hope Goodman memorial	\$ 623	\$ 771
Retreat center	6,722	15,181
Striding into the next 60	<u>5,879</u>	<u>1,438</u>
	<u>\$ 13,224</u>	<u>\$ 17,390</u>

NOTE 8 – BOARD DESIGNATED NET ASSETS

The board has designated certain unrestricted net assets to be held for specific future purposes. These board designated unrestricted net assets have the following purposes and balances:

	<u>2021</u>	<u>2020</u>
Cabin renovations	\$ 15,840	\$ 15,840
	<u>\$ 15,840</u>	<u>\$ 15,840</u>

The board designated these funds in 2018 to be used over the next three years to renovate three cabins. As of December 31, 2021, these funds have not been used and the board has not taken action on them.

NOTE 9 – MARKETABLE SECURITIES

The marketable securities portfolio is comprised of equity securities classified as available for sale as unrestricted funds. The fair value and cost basis of the securities available for sale are as follows as of December 31:

	<u>2021</u>	<u>2020</u>
Original cost	\$ 158	\$ 150
Unrealized gain (loss)	<u>31</u>	<u>(20)</u>
Fair market value	<u>\$ 189</u>	<u>\$ 130</u>

The fair value of all equity securities has been measured on a recurring basis using Level 1 inputs, which are based on unadjusted quoted market prices within active markets. There have been no changes to valuation techniques and related inputs.

NOTE 10 – CONTRIBUTIONS RECEIVED

Contributions are considered gifts with no exchange element. These amounts are reported separately from other forms of income. Contributions received as of December 31, 2021 and 2020 were \$320,583 and \$261,433, respectively.

NOTE 11 – LEASE COMMITMENTS

The Church Camp leases a copier and dishwasher under operating leases. The copier lease expires January, 2022. The dishwasher lease is an open-ended lease with no end date. The total rental expense in 2021 and 2020 was \$1,632 and \$1,632, respectively. Future minimum operating lease payments as of December 31, 2021 are as follows:

2022	\$ 785
2023	708
2024	<u>708</u>
	<u>\$ 2,201</u>

NOTE 12– FAIR VALUE MEASUREMENTS:

The following table summarizes assets measured at fair value by classification within the fair value hierarchy at December 31, 2021 and 2020, respectively:

	Quoted Price In Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Balance at December 31 2021
Mutual Funds:				
Domestic equities	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Common Stock	<u>189</u>	<u>-0-</u>	<u>-0-</u>	<u>189</u>
	<u>\$ 189</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ 189</u>

	Quoted Price In Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Balance at December 31 2020
Mutual Funds:				
Domestic equities	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Common Stock	<u>130</u>	<u>-0-</u>	<u>-0-</u>	<u>130</u>
	<u>\$ 130</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ 130</u>

NOTE 13 – RECENTLY ISSUED ACCOUNTING PRONOUNCEMENTS

The Financial Accounting Standards Board has issued an accounting standard that will result in changes to financial reporting and disclosures related to contributions of nonfinancial assets. The provisions of this statement are effective for the entity's financial statements for the year ending December, 31, 2021.

The Financial Accounting Standards Board has issued an accounting standard that will result in significant changes to financial reporting and disclosures related to both operating and capital leases. The new leases standard is intended to increase the transparency and comparability among companies that lease buildings, equipment, and other assets by recognizing the assets and liabilities that arise from these lease transactions on the statement of financial position. The provisions of this statement are effective for the entity's financial statements for the year ending December 31, 2022.

NOTE 14 – RECONCILIATIONS OF CASH, CASH EQUIVALENTS, AND RESTRICTED CASH

The statement of cash flows reconciliation of cash, cash equivalents, and restricted cash includes one source of restricted cash: donor restricted (see Note 8 – Donor Restrictions on Net Assets). The restricted cash and cash equivalents are held in checking and money market accounts.

NOTE 15 – GAIN UPON DEBT EXTINGUISHMENT

In response to the coronavirus (COVID-19) outbreak in 2021, the U.S. Federal Government enacted the Coronavirus Aid, Relief and Economic Security Act (CARES Act) that, among other economic stimulus measures, established the Paycheck Protection Program (PPP) to provide small business loans. Loan proceeds may only be used for qualifying expenses, which include payroll, rent, and utilities.

On April 9, 2020, the Church Camp received loan proceeds for \$38,200. Under terms of the PPP, certain amounts of the loan may be forgiven if they are used for qualifying expenses as described in the CARES Act. The Church Camp was granted loan forgiveness on December 17, 2020 and has recognized this gain on forgiveness of the loan.

On February 4, 2021, the Church Camp received loan proceeds for \$54,656. Under terms of the PPP, certain amounts of the loan may be forgiven if they are used for qualifying expenses as described in the CARES Act. The Church Camp was granted loan forgiveness on December 3, 2021 and has recognized this gain on forgiveness of the loan.

NOTE 16 – CHANGE IN CASH SURRENDER VALUE LIFE INSURANCE, NET OF POLICY LOAN

On May 6, 2021, the Church Camp paid off the policy loan on the life insurance policy. The principal amount of the loan paid off was \$63,016. As of December 31, 2021 and 2020, the cash surrender value of the life insurance policy, net of policy loan was \$81,847 and \$10,279.

NOTE 17 – SUBSEQUENT EVENTS:

Management has evaluated subsequent events through March 7, 2022, the date on which the financial statements were available to be issued.

The Church Camp continues to monitor the effects of COVID-19 on its operations. The Church Camp cancelled in-person summer camps and many retreats during 2020 and 2021. There is additional uncertainty surrounding this situation and the extent of the impact of COVID-19 to the Church Camp cannot be predicted or reasonably estimated at this time.

LUTHER PARK, INC.
DANBURY, WISCONSIN

SUPPLEMENTAL SCHEDULES 1
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020

	2021	2020
ANNUAL FUND:		
Allocations, current year	\$ 28,404	\$ 25,636
Allocations, prior year	2,300	-
Events	4,191	-
Gifts from individuals	57,965	100,349
Gifts from organizations	12,761	10,762
Grants	-	9,000
Memorial & estate gifts	249,857	150,322
Total annual fund	\$ 355,478	\$ 296,069
 PROGRAM REVENUE:		
Campground fees	\$ 4,208	\$ 4,435
Canteen income	1,812	1,864
Day camp fees	4,661	3,640
Retreats	14,807	19,491
Summer camping	42,471	15,489
Total program revenue	\$ 67,959	\$ 44,919
 OTHER INCOME:		
Interest and dividends	\$ 86	\$ 16
Gain on sale of investments	185	-
Gain on sale of fixed assets	1,500	-
Change in cash value life insurance	8,751	1,507
Insurance refund/proceeds	-	1,059
Unrealized gain on investments	51	(53)
Capitalized donations	-	-
Payroll tax credit income	31,052	2,213
Other Income	2,165	1,368
Total other income	\$ 43,790	\$ 6,110

See independent accountant's compilation report.